

First Church Academy Work Group
First Church of Christ Congregational, UCC
West Hartford, CT
Final Report
October 5, 2023

The Coordinating Team of First Church, West Hartford led by Moderator, Wendy Wigglesworth, convened a work group in April 2023 to examine the relationship between the church and the First Church Academy for Young Children (“the Academy.”)

Charge

The mission of the work group was to “discern the pros and cons of a legal separation of the Academy from the church” as its own entity. It was suggested that such a separation would help to protect the endowment of First Church. (Email of April 12, 2023, from Moderator)

Members of the workgroup

Suzanne Carnes, Chair*

Jenny Clark, Co-Chair*

Diane Bohman*

Linda Lacasse

Dawne Quinn*

Lisa Reed

Jim Warner*

*Member of the church

Consultants and contributors

Members of the Business Team and Coordinating Team of First Church

Staff members of the Academy for Young Children

Francis Ward, AAI of Emery and Webb Insurance (church’s insurer)

Attorney Robert Avena (retained by the church before the workgroup started)

Attorney Edward Spinella of the Murtha Cullina Law Firm

Attorney Heather Kimmel, General Counsel, United Church of Christ

Communication

The work group communicated and shared information with church leadership using the church's CCB platform.

The work group Chairperson also provided e-mail updates after each meeting to the Business Team leaders, Moderator, and Senior Pastor. This final report reflects the work group's recommendation to the Business Team.

Meeting Summaries

All meetings began with a brief reflection. We convened at the church in-person except on June 29 when we met by Zoom.

Meeting 1: May 10

We reviewed our charge, organized as a group, and agreed upon guidelines to be faithful, committed, open-minded, respectful, and to work toward consensus.

We assigned group responsibilities and agreed upon meeting time and frequency.

We agreed to explore three areas: a) whether the Academy should become a separate entity, b) the reporting structure for the Academy's Director of Education, and c) the impact of a separation on Academy employees.

We began a list of questions/issues that we needed to address and a list of individuals with whom we needed to consult for answers.

We reviewed a brief history of the Academy's reporting structure over the past 38 years, beginning with Rev. Lee Moore who was then the Associate Pastor for Christian Education

As homework, we agreed to review an article referenced at an earlier Coordinating Team meeting from Attorney Robrt Avena. We also agreed to review a 2011 report on the First Church Nursery School, s the Academy was then known.

Meeting 2: June 8

We discussed our ongoing contact with Attorney Avena who was waiting to hear from a Hartford law firm specializing in religious organizations.

Attorney Avena planned to refer an attorney from this firm to First Church.

We reviewed and discussed the documents referenced above and our growing list of questions.

Meeting 3: June 29

Lisa Reed arranged for the workgroup to meet with the insurance agent for First Church, Francis Ward, AAI (Accredited Advisor in Insurance) from Emery and Webb by Zoom.

Mr. Ward reviewed the current coverage for First Church which includes premise liability, sexual misconduct, and trustee protection. In addition, we have a \$5,000,000 umbrella policy.

He explained that board member coverage includes damages from wrongful decisions made by the board, which includes directors and officers. Pastors are covered for operational decisions of which they were a part.

The current premiums for First Church are approximately \$33,000.

Mr. Ward assured us that First Church is well insured, but that “anyone can be sued for anything, at any time.”

Regarding protection for the First Church endowment, Mr. Ward stated that even if the Academy were its own separate entity, the church and the Academy could be named in the same suit as the Academy would still be considered a tenant of the church. He further noted that preschools are now highly regulated. In his 30 years of experience, he has seen very few operational suits.

Mr. Ward’s recommendation to the work group was that background checks be done on employees every 3 years. The current State of CT licensing requirement is to do background checks every 5 years. The Academy receives notification from the State when an employee is due for an updated check.

The matter of protecting the endowment is beyond the scope of this workgroup. However, Mr. Ward stated that there would be an option to create a Statutory Holding Company which would own the building. There could also be separate coverage for church operations, and separate coverage for the Academy. However, this would be very expensive.

Note: We later learned that the creation of a holding company or any other entity separate from First Church would result in ineligibility for UCC benefits, including tax exempt status.

Meeting 4: July 26

Attorney Robert Avena succeeded in arranging a meeting for the work group with Attorney Edward Spinella of the Murtha Cullina Law Firm. Mr. Spinella specializes in religious organizations.

Attorney Avena's first recommendation to the work group was that the Academy not separate from First Church. His reason was largely because as a separate entity, Academy staff would no longer be employees of First Church and therefore they would lose UCC medical, pension, and other benefits.

Attorney Avena's second recommendation was that the Academy's Educational Director report to a board, rather than to the Senior Pastor. In recent years, some Senior Pastors have been reluctant to take on the role of supervisor for the pre-school, citing a burden on their time and lack of knowledge as to the operation of a pre-school.

Please note that the Academy already has monthly meetings with an advisory board, currently with six members, to discuss and decide upon day-to-day operational issues.

The third recommendation by Attorney Avena was that a separate holding company be created to protect the endowment. He proposed that Attorney Spinella could assist First Church to accomplish this change if this option were chosen. Again, the decision to create a holding company or not is beyond the scope of this workgroup. The workgroup has contact information for Attorney Spinella if it decides to explore this option.

Meeting 5: September 14

The purpose of this meeting was to discuss and synthesize all the information that we gathered and come to a consensus.

The work group agreed unanimously that the First Church Academy should not be separated from First Church as its own entity. For the Academy, there is no upside to a separation and considerable risk to its sustainability and identity.

Before any further recommendation was made by this work group, we felt it was important to meet with Rev. Fredd Ward, our Acting Senior Pastor.

Meeting 6: September 21

We met with Reverend Fredd and discussed the relationship of First Church and the Academy for Young Children as a covenantal one that is mutually beneficial. The Academy is a visual and living expression of First Church's identity in the community through the education and well-being of young children at a time when such care is in high demand. The Academy currently has a waiting list.

Although the Academy is part of First Church, it espouses no specific doctrine to its students, and it is open to families of all faiths. Yet, it does adhere to the basic values of many religions: community, kinship, kindness, and nurturing the most vulnerable among us.

Adding to its accountability, the Academy is woven into the life and operation of the church in many ways. Dawne Quinn, Director of Education of the Academy currently meets with the following groups:

Academy Advisory Group meets monthly.

Members:

Terry Schmitt

Jeanne Warner

Jenny Clark

Nicole Cook

Linda Lacasse

Dawne Quinn

All Church Staff Meeting meets weekly.

Fredd Ward
Jennifer DeSimas
Jim Boratko
Dawne Quinn
Lisa Reed
Linda Clark
Sarah Kopp
Art Peterson
Molly Bohman

Meeting with Rev. Fredd Ward weekly

Dawne and Rev. Fredd, Thursdays at 11 am

Business Team meets monthly.

Linda Lacasse generates month-end reports and supporting documentation. These reports are shared with Lisa Reed and Court Lewis (current Treasurer) and then posted to CCB for Business Team review. If the Business Team needs further information, Linda and/or Dawne is available to attend the meeting.

Outreach Team meets monthly.

Dawne attends with the goal of strengthening the Academy's participation in and support of church service projects and to share ways the Academy is engaging with our community.

Parent Advisory Committee (PAC) meets monthly.

A group made up of 7 Academy parents, one teacher, and Dawne, Director of Education, meet to gather input from parents, enlist their help with special projects/fundraisers, with the goal of strengthening communication and engagement with families.

October 5 - Final Recommendations from the work group:

The work group agreed unanimously that the First Church Academy remain as part of First Church. It should not be separated as its own entity.

The Academy shall remain organizationally aligned with the Business Team, as it is currently.

No other decision-making body or board is needed for the Academy. The Academy already meets with its Advisory Group for operational decisions.

The relationship between the Senior Pastor, or in this case, Acting Senior Pastor, is collegial and supportive, rather than supervisory.

If the Business Team chooses, they may have a discussion with the UCC to further investigate the potential to create a separate holding company. **

**Recommendations regarding the First Church endowment are beyond the scope of this workgroup. However, this work group wishes to pass along that both our insurer and Attorneys Avena and Spinella recommended a separate holding company for that purpose.

At the same time, in an email from the General Counsel of the UCC to Lisa Reed, the work group was informed that “A corporate entity that is separate from the church, even though it is related, would not be included in the Yearbook and thus not in the group exemption.” (Heather E. Kimmel, General Counsel, August 15, 2023)

Respectfully,

Suzanne Carnes, Jenny Clark, Diane Bohman, Linda Lacasse, Dawne Quinn, Lisa Reed, Jim Warner